
Thank you for joining us for the Indigenous Community Discussion Group.

We will begin in a few minutes.

Long Term | Request for Proposals Indigenous Engagement

April 12, 2022

IESO Indigenous Relations

Purpose

Review the IESO's proposed Long-Term RFP (LT1 RFP) process with Indigenous communities

In today's session the IESO is looking to engage with Indigenous communities in the following ways:

- Support communities' initial understanding of the procurement
- Provide awareness of process to be used for outreach and engagement
- Outline initial engagement and participation considerations for the procurement
- IESO is seeking initial input on the proposed process

Recap: Current Energy Trends

- Demand for electricity is on the rise, trends within Ontario's electricity sector are evolving, the supply mix continues to change, new innovative solutions continue to be introduced, and local solutions are being developed for local challenges
- The IESO will ensure the reliability of our grid while supporting growing needs, including the use of electricity procurements – such as issuing Requests for Proposals (RFPs) in 2022 to acquire services from new electricity generation and storage facilities

The Long-Term Procurement Process

Long-Term Request for Qualifications (LT RFQ)

- Objective is to ensure that there are interested parties with the capability to undertake project development, construction and operate facilities
- RFQ will focus on evaluating proponents based on their technical and/or development capability, experience working with Indigenous communities, and financial wherewithal
- Only qualified proponents under the RFQ will be eligible to participate in the RFPs

Long-Term Request for Proposals (LT1 RFP)

- Objective is to solicit proposals from qualified proponents and offer contracts (15-year term) for projects that most competitively meet local and provincial needs
- LT1 RFP will procure resources for at least 2,500 MW of new capacity for needs arising in the 2025-2027 timeframe
- The IESO is still defining the eligible resources, but it will include new facilities or upgrades to existing facilities – further details will be available in the second half of 2022

Long-Term Expedited Request for Proposals (LT Expedited RFP)*

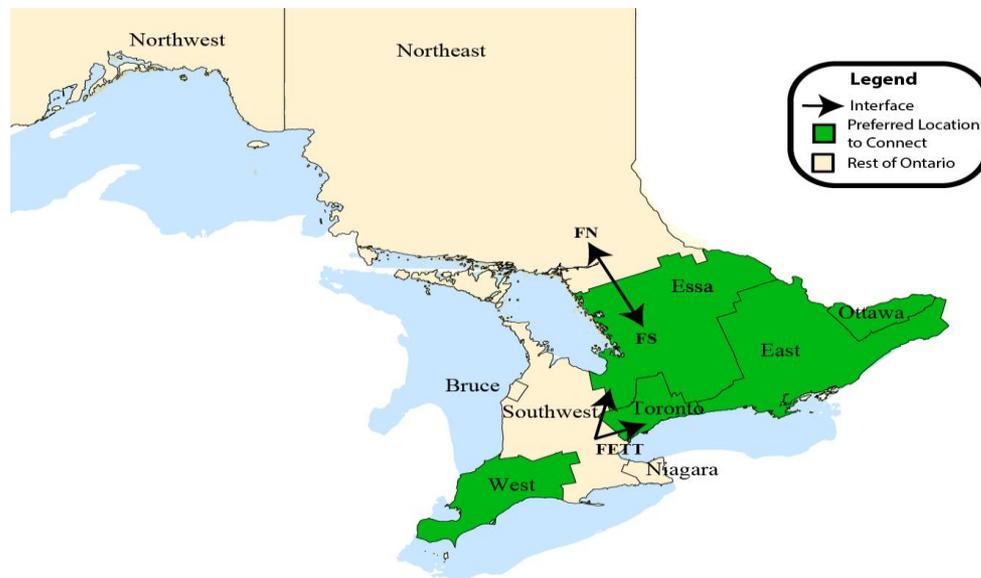
- Objective is to solicit proposals from qualified proponents and offer long-term contracts for projects that most competitively meet local and provincial needs
- Under this process, the IESO will procure resources that can meet needs arising in the 2025 timeframe

Locational Considerations

In order to address both province-wide and more localized electricity needs, the LT1 RFP will seek to acquire projects across Ontario

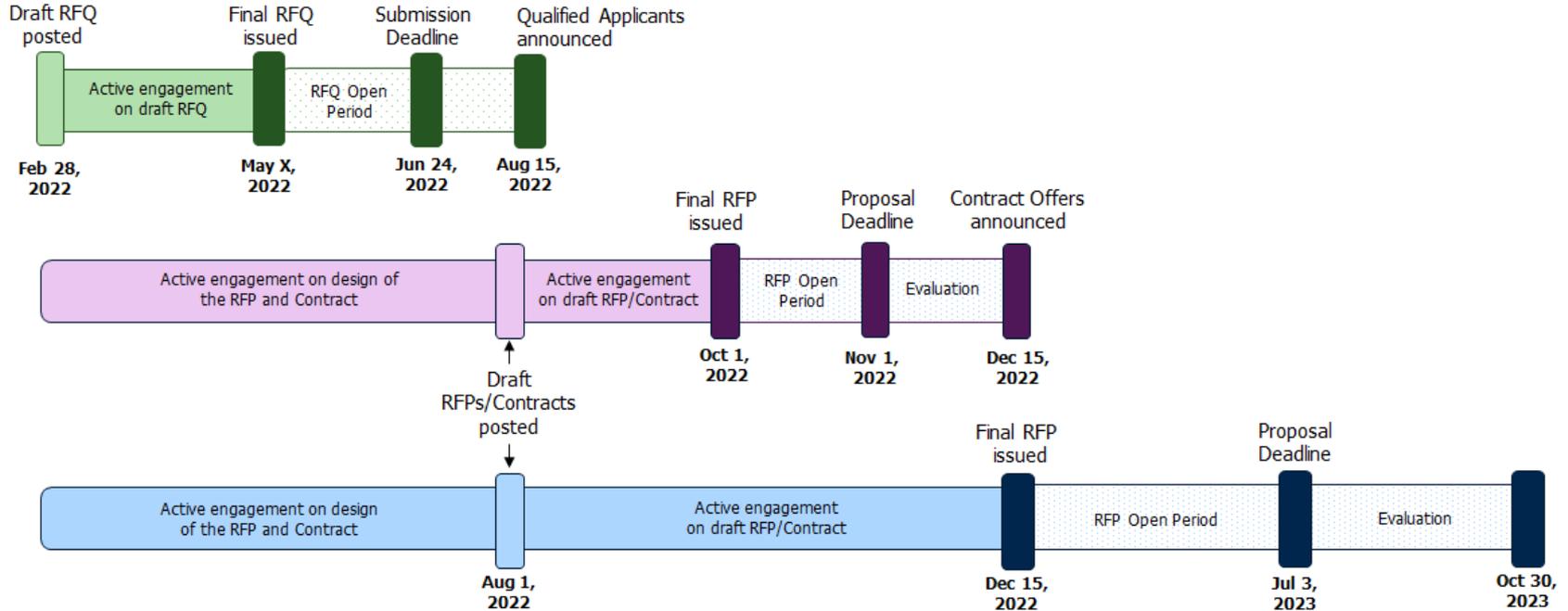
The areas highlighted in green show an illustrative example of locations that may be more highly valued or prioritized under the LT1 RFP

The priority areas will continue to evolve as planning studies and procurement design considerations are updated



Note: The map is illustrative in nature only and is subject to change as planning studies and procurement design considerations are updated.

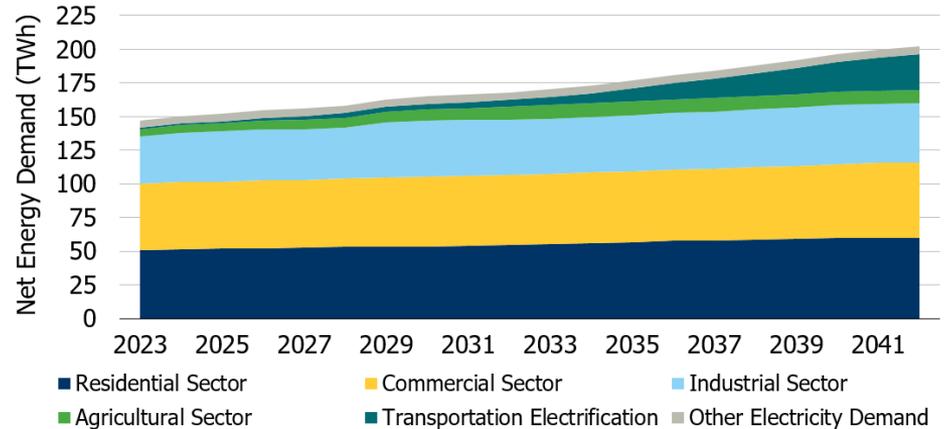
LT1 RFP and Expedited Procurement Timelines*



Discussion: Electricity System Needs and LT1 RFP Process

1. Do you have any questions related to Ontario's emerging electricity needs?
2. Do you have any questions or require more clarity about the procurement process?

Ontario is entering a time of demand growth





Indigenous Engagement and Participation

Indigenous Community Input in the RFQ/RFP

The IESO expects to:

- Engage on several aspects of the LT1 RFP with sector participants, but awareness of the initiative and input from Indigenous communities and leaders will also be critical to procurement success
- Seek input from stakeholders and Indigenous communities on the draft RFQ criteria that the IESO is proposing to use to identify interested parties (*the final RFQ is expected to be issued next month*)
- Continue to engage prior to the issuance of the draft RFP in August 2022

Community and Proponent Touchpoints

As the LT1 RFP and Expedited Procurements are launched and as they progress, communities can expect several touchpoints with proponents throughout the process.

Time Period	Procurement	Potential Touchpoints
April – October 2022 (Pre-Final RFP Release)	Expedited Procurement	Proponents qualified through the RFQ process may choose to conduct early outreach to communities in order to build awareness of potential project(s), form relationships where applicable and prepare for the RFP based on draft RFP requirements. These activities may occur prior to final RFP release.
April – December 2022 (Pre-Final RFP Release)	LT1 RFP	
October – November 2022 (RFP Open Period)	Expedited Procurement	During the RFP Open Period, communities can expect intensive outreach and communication from proponents. This may take the form of requests for municipal council resolutions/Indigenous Community Support Resolutions or outreach for formal partnership formation (i.e., economic interest).
December 2022 – July 2023 (RFP Open Period)	LT1 RFP	
January 2023 – 2025 and beyond	Expedited Procurement	Successful (contracted) proponents will engage with communities as they develop their projects and seek all associated permits and approvals, as well as Duty to Consult requirements. Once facilities are built, proponents will continue to engage with communities over the life of their facilities.
Fall 2023 – 2025/27 and beyond	LT1 RFP	

Indigenous Engagement and Participation

- As outlined in the IESO Corporate Indigenous Policy, the IESO will take actions that will lead to meaningful outcomes for electricity sector participation
- The IESO has included Indigenous engagement and participation requirements in past procurement processes, and intends to do so for the LT1 RFP
- Past examples have included:
 - Requirements for developers to demonstrate past experience working with Indigenous communities
 - Requirements for developers to obtain a Community Support Resolution to demonstrate support from impacted Indigenous communities
 - Incentives for economic interest and Indigenous community participation in projects

Indigenous Engagement – Mandatory Requirements

- For the LT1 RFP, the IESO proposes proponents be required to develop and post a **community engagement plan** on a dedicated website and hold **1 public meeting** with local communities to inform them of their proposed project
- In addition to a mandatory public meetings, the IESO is proposing that **all projects** electing to participate in the **LT Expedited RFP attain** either a **Municipal Council Support Resolution** or an **Indigenous Community Support Resolution**, depending on where the project is proposed
 - Similar requirements may apply in the LT1 RFP as well.
- In addition to the proposed mandatory criteria, the IESO proposes proposals with Indigenous participation be rewarded with rated criteria points

Rated Criteria

- The LT1 RFP will utilize rated criteria to evaluate proposals by assigning additional points to high-value attributes. The initial rated criteria categories are outlined below. The eventual categories and rated criteria weightings will be informed by engagement with municipalities, Indigenous communities and stakeholders

Location

There are areas of the province (i.e. West and East of FETT) where resources are most needed

Duration of Service

Additional points to projects able to offer > 4+ consecutive hours of energy

Indigenous Participation

Projects able to demonstrate Indigenous participation (economic interest) will attain rated criteria points

Rated Criteria – Indigenous Participation

- Rated criteria points may be awarded to projects that are able to demonstrate Indigenous Community Participation in their project beyond a minimal level of demonstrable economic interest in the project (10%)
- Rated criteria points may be awarded based on the level of participation included in the proposal with an increasing allocation of points for each level of participation
- Examples may include:
 - Projects with Indigenous economic interest greater than 10% but less than 25%
 - Projects with Indigenous economic interest greater than 25% but less than 50%
 - Projects with Indigenous economic interest greater than 50%



Discussion

Discussion Questions

Indigenous Participation

- What additional Indigenous project participation opportunities should be considered in the procurement design?
- What constitutes Indigenous community support for a project?
- Are there additional considerations for the IESO?

Community Engagement

- What information do communities need to effectively participate in this engagement?
- What are the barriers to Indigenous engagement and participation in energy infrastructure procurements?



Indigenous Energy Support Programs

IESO Energy Support Programs

- The IESO delivers four funding programs to Ontario Indigenous communities that may be of assistance to communities that wish to engage on LT RFP or energy issues in general
- To support engagement and involvement in the upcoming LT1 RFP the IESO has launched a new intake window for applications to the IESO's [Indigenous Energy Support Programs](#) from: April 4, 2022 – June 30, 2022
- The IESO will also be launching engagement around the re-design of the programs for 2023 to better align our programs with community needs

Energy Support Programs (ESPs) Overview

Community Energy Champion Program (CEC)	Indigenous Community Energy Plan (ICEP)	Education and Capacity Building Program (ECB)	Indigenous Energy Projects Program (IEP)
<p>Support communities and organizations to hire a designated energy worker</p> <p>Maximum funding for three (3) years:</p> <p>Up to \$50,000 per year Or</p> <p>Up to \$55,000 per year, if applicants are approved for the Additional Qualification Top Up of \$5,000 per year;</p> <p>CEC Expense: Up to \$15,000 per Application</p>	<p>Support communities and organizations to develop and maintain an updated energy plan</p> <p>Maximum funding to develop a plan for two (2) years:</p> <p>Up to \$90,000 or Up to \$95,000 for remote communities</p> <p>Maximum funding to update an existing plan for one year:</p> <p>Up to \$25,000 or Up to \$30,000 for remote communities</p>	<p>Support communities and organizations to build capacity and job-readiness skills</p> <p>Maximum funding per project Up to two (2) years: Total up to \$125,000</p> <p>Community energy engagement: Up to \$50,000</p> <p>Energy skills building, project training and certifications: Up to \$75,000</p> <p>Innovative knowledge/data sharing models: Up to \$50,000</p>	<p>Support communities and organizations to develop energy projects and partnerships</p> <p>Maximum funding per calendar year: Total up to \$200,000</p> <p>Project development: Up to \$150,000</p> <p>Feasibility Study: Up to \$25,000</p> <p>Partnerships: Up to \$50,000</p> <p>Innovation: Up to \$200,000</p>

Next Steps

- Feedback can also be submitted via a feedback form by **May 10, 2022** to engagement@ieso.ca
- The final LT1 RFQ will be issued in May 2022
- The IESO will continue to engage on topics both noted in this presentation and new items to help further information on the procurement process
- Indigenous Energy Support Program (ieso.ca/funds)
- Stay in touch by visiting the dedicated [engagement page](#)

Thank You

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[@IESO Tweets](https://twitter.com/IESO_Tweets)



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Appendix

Outreach Objectives Phase 1: Inform

During the inform stage, Indigenous communities will learn about the characteristics of the Long-Term RFP initiative, including:

- Information about the emerging local and provincial needs
- Build awareness of the LT-RFP process and the potential for projects within Indigenous communities
- Gather initial perspectives from Indigenous communities to inform the RFP engagement

Outreach Objectives Phase 2: Engage

During the engage stage, the IESO will ensure that Indigenous communities are aware of how and when to participate in the procurement process as well as seek input on:

- Design of the procurement process
- Information or support Indigenous communities may need through different stages of the RFP process
- Ways to streamline requests/enquiries for Indigenous communities with multiple projects/developers

Outreach Objectives Phase 3: Support

For Phase 3 the IESO will provide information to Indigenous communities around the process and possible inquiries related to the procurement, including:

- Provide list of qualified proponents
- Ensure clarity on requirements in the RFP associated with Indigenous communities (informed by Phase 2)
- Provide information to Indigenous communities in support of inquiries from developers or community members (i.e. FAQs, etc.)